VZCZCXRO7444 PP RUEHAG DE RUEHKL #1227 1840730 ZNY CCCCC ZZH P 030730Z JUL 06 FM AMEMBASSY KUALA LUMPUR TO RUEHC/SECSTATE WASHDC PRIORITY 7027 INFO RUCNMEM/EU MEMBER STATES PRIORITY RUEHBK/AMEMBASSY BANGKOK PRIORITY 2451 RUEHRL/AMEMBASSY BERLIN PRIORITY 0146 RUEHSW/AMEMBASSY BERN PRIORITY 0037 RUEHBY/AMEMBASSY CANBERRA PRIORITY 2120 RUEHLM/AMEMBASSY COLOMBO PRIORITY 0187 RUEHJA/AMEMBASSY JAKARTA PRIORITY 1508 RUEHKL/AMEMBASSY KUALA LUMPUR PRIORITY RUEHLO/AMEMBASSY LONDON PRIORITY 0264 RUEHNE/AMEMBASSY NEW DELHI PRIORITY 0646 RUEHNY/AMEMBASSY OSLO PRIORITY 0167 RUEHOT/AMEMBASSY OTTAWA PRIORITY 0369 RUEHFR/AMEMBASSY PARIS PRIORITY 0155 RUEHPF/AMEMBASSY PHNOM PENH PRIORITY 0293 RUEHGP/AMEMBASSY SINGAPORE PRIORITY 3893 RUEHKO/AMEMBASSY TOKYO PRIORITY 2205 RUEHCI/AMCONSUL CALCUTTA PRIORITY 0023 RUEHCG/AMCONSUL CHENNAI PRIORITY 0107 RUEHBI/AMCONSUL MUMBAI PRIORITY 0102 RHHMUNA/CDR USPACOM HONOLULU HI PRIORITY RUEHBS/USEU BRUSSELS PRIORITY 0214

C O N F I D E N T I A L KUALA LUMPUR 001227

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E.O. 12958: DECL: 07/03/2016

TAGS: PREL PTER MARR PINS CE MY

SUBJECT: SRI LANKA: MALAYSIA CONTINUES CONSIDERATION OF
JOINING CONTACT GROUPS

REF: A. STATE 107231

¶B. KUALA LUMPUR 1092

1C. STATE 94541

Classified By: Charge d'Affaires, a.i, David Shear for reasons 1.4 b and d.

- 11. (C) MFA Principal Assistant Secretary for South Asian Affairs Nik Mustafa Kamal Nik Ahmad told us July 3 that Malaysia was still considering whether to join contact groups on Tiger financing and weapons procurement. Nik Mustafa frankly admitted that the decision would be politically difficult, given the large ethnic Tamil community in Malaysia. He said that other agencies and ministries were currently providing feedback to the MFA on the proposal to join the contact groups, and that further study would be needed. He noted that the Malaysian Ministry of Defense was in favor of joining the contact group on arms procurement. With regard to other contact group membership, Nik Mustafa recommended the inclusion of Thailand in both groups, but admitted that Malaysia had better reason than Thailand to join the group on financing.
- 12. (C) Nik Mustafa said that if Malaysia did join the contact groups, it would be unlikely to take a "very active role." He revealed that during Malaysia-Sri Lanka Joint Commission meetings held in Colombo June 19-26, the Sri Lankan government had passed intelligence information regarding Tiger "fund gathering" in Malaysia. Nik Mustafa said that the GOM was "taking action on the quiet side" to shut off this activity. He characterized Malaysian cooperation with Sri Lanka in this regard to be analogous to Malaysian-Indonesian cooperation in combating JI terrorists. Nik Mustafa was troubled by escalating violence in Sri Lanka, and said he understood that the government of Sri Lanka "must respond" to increasingly frequent and violent Tiger attacks.

¶3. (U) Note: Ethnic Tamils of Indian descent account for about 1.35m of the 1.8m ethnic Indian population of Malaysia (7.5% of the total Malaysian population of about 24m). There are also some 80,000 ethnic Tamils of Sri Lankan descent, who tend to be more prosperous than those of Indian descent. LAFLEUR